

37 Am. Jur. 2d Fraud and Deceit § 188

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Fraud and Deceit

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IV. False Representations

G. Representations and Statements as to Particular Matters

4. Credit, Solvency, and Financial Standing

§ 188. Representations as to third person's financial status—Necessity of indicating extent of credit

[Topic Summary](#) | [Correlation Table](#) | [References](#)

West's Key Number Digest

West's Key Number Digest, [Fraud](#)  27, 28

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[Misrepresentations as to financial condition or credit of third person as actionable by one extending credit in reliance thereon, 32 A.L.R.2d 184](#)

It has been held that a general representation as to the solvency or credit of a third person is not actionable where there is no indication in the representation itself or in the circumstances as to the extent to which the credit may safely go.¹ There is also authority, however, that a representation as to a third person's financial status is actionable even though there was no limitation in the representation on the amount of credit that should be given.²

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Footnotes

¹ [James v. Crosthwait](#), 97 Ga. 673, 25 S.E. 754 (1896).

² [Simons v. Cissna](#), 52 Wash. 115, 100 P. 200 (1909) (representation that a corporation was solvent).

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